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FISCAL IMPACT STATEMENT

LS 6217

BILL NUMBER: HB 1084

NOTE PREPARED: Nov 12, 2003

BILL AMENDED:

SUBJECT: Indiana Utility Regulatory Commission Procedures.

FIRST AUTHOR: Rep. Mahern

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits a commissioner, an administrative law judge, or an employee of the Indiana Utility Regulatory Commission (IURC) who is assigned to a formally docketed proceeding from communicating with a party to the proceeding unless certain requirements are met. The bill establishes deadlines relating to proceedings before the IURC.

Effective Date: Upon passage.

Explanation of State Expenditures: Establishing deadlines on the IURC could, in some circumstances, increase the administrative burden of the Commission. Nonetheless, it is presumed that any impact could be covered using the resources and funding mechanisms currently available to the Commission.

Background on IURC and OUCC Funding: The operating budgets of the IURC and OUCC are funded by regulated utilities operating in Indiana. The IURC determines the rate at which to bill the utilities based on the two agencies' budgets, less reversions, divided by the total amount of gross intra-state operating revenue received by the regulated utilities for the previous fiscal year. Based on this formula, utilities are currently billed approximately 0.10% of their gross intra-state operating revenues to fund the IURC and OUCC. In FY 2003, fees from the utilities and fines generated approximately \$10.9 M.

Explanation of State Revenues: *Penalty Provision:* This bill would allow IURC administrative law judges, commissioners, or employees assigned to a formally docketed proceeding before the IURC to communicate with a party involved in the proceeding on the condition that the party involved in the proceeding agrees to submit written notice of the communication with the administrative law judge or commissioner assigned to the party's proceeding and the Secretary of the Commission for inclusion in the public record. Persons who

fail to report communication with IURC staff members assigned to the proceeding commit a Class C infraction. The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. However, any additional revenue is likely to be small.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

State Agencies Affected: Indiana Utility Regulatory Commission.

Local Agencies Affected: Trial courts, local law enforcement agencies. Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: John Parkey, 317-232-9854.